Ag Land Pres Easements -- No. 788911

Category Conservation of Natural Resources
Agency Economic Development

Countywide

Date Last Modified
Previous PDF Page Number
Required Adequate Public Facility

January 9, 2004 7-75(04 App) NO

Relocation Impact None

Planning Area

EXPENDITURE SCHEDULE (\$000)

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Cost Element	Total	Thru FY03	Est. FY04	Total 6 Years	FY05	FY06	FY07	FY08	FY09	FY10	Beyond 6 Years
Planning, Design											
and Supervision	1,258	0	157	1,101	164	171	179	187	196	204	0
Land	25,265	0	7,308	17,957	2,640	3,203	3,050	3,034	3,090	2,940	0
Site Improvements											
and Utilities	0	0	0	0	0	0	0	0	0	0	0
Construction											
Other	0	0	0	0	0	0	0	0	0	0	0
Total	26,523	0	7,465	19,058	2,804	3,374	3,229	3,221	3,286	3,144	0
				FUNDING	G SCHED	JLE (\$000))				
Federal Aid	393	0	0	393	393	0	0	0	0	0	0
Investment Income	1,258	0	157	1,101	164	171	179	187	196	204	0
State Aid	9,764	0	5,764	4,000	0	500	500	800	1,000	1,200	0
Agricultural											
Transfer Tax	15.108	0	1.544	13.564	2.247	2.703	2.550	2.234	2.090	1.740	0

ANNUAL OPERATING BUDGET IMPACT (\$000)

DESCRIPTION

This project provides funds for the purchase of agricultural and conservation easements under the County Agricultural Land Preservation legislation, effective May 26, 1988, for local participation in Maryland's agricultural and conservation programs. The County Agricultural Easement Program enables the County to purchase preservation easements on farmland in the agricultural zones and in approved County agricultural districts to preserve farmland not already protected by transferable development rights easements or State agricultural land preservation easements. The Maryland Agricultural Land Preservation Foundation (MALPF) enables the State to purchase preservation easements on farmland in agricultural districts established jointly by the County and State. The Rural Legacy Program (RLP) enables the State to purchase conservation easements to preserve large contiguous tracts of agricultural land. Project funding comes from State aid and the Agricultural Land Transfer Tax, which is levied when farmland is sold and removed from agricultural status. Montgomery County is a State-certified county under the provisions of State legislation which enables the County to retain 75 percent of the taxes for local use. The County uses a portion of its share of the tax to provide matching funds for State easements.

JUSTIFICATION

Annotated Code of Maryland 2-501 to 2-515, Maryland Agricultural Land Preservation Foundation; Annotated Code of Maryland 13-301 to 13-308, Agricultural Land Transfer Tax; and Montgomery County Code, Chapter 2B, Agricultural Land Preservation.

Cost Change

State funds for FY05-10 are estimated and will be pursued through the competitive grant process. The cost change reflects lower estimates for State Aid and the addition of FY09 and FY10.

STATUS

Since 1980, the State and the County have completed nearly 83 easement purchases totaling 14,981 acres. An additional 43,145 acres have been preserved through private transactions facilitated by the County Transferable Development Rights (TDR) program, for a total of 58,126 acres. The County's goal is to preserve 70,000 acres by 2010.

OTHER

Appropriations are based upon a projection of Montgomery County's portion of the total amount of Agricultural Transfer Tax, which has become available since the last appropriation and State Rural Legacy Program grant funding. Appropriations to this project represent a commitment of Agricultural Land Transfer Tax funds and State Aid to purchase agricultural easements. The Agricultural Transfer Taxes are deposited into an investment income fund, the interest from which is used to fund direct administrative expenses and purchase easements. The program permits the County to take title to the transferable development rights (TDRs) associated with the purchase of easements. The TDRs are assets the County may sell in the future, generating revenues for the Agricultural Land Preservation Fund. The County can use unexpended appropriations of this project to pay its share (40 percent) of the cost of easements purchased by the State. Since FY99, the County has received State RLP grant funding to purchase easements for the State through the County. The State allows County reimbursement of three percent for direct administrative costs such as appraisals, title searches surveys, and legal fees.

FISCAL NOTE

Expenditures do not reflect additional, authorized payments made from the Agricultural Land Preservation Fund balance to increase financial incentives for landowners.

APPROPRIATION AND							
EXPENDITURE DATA							
Date First Appropriation	FY89	(\$000)					
Initial Cost Estimate		18,705					
First Cost Estimate							
Current Scope	FY05	26,523					
Last FY's Cost Estimate		36,331					
Present Cost Estimate		26,523					
Appropriation Request	FY05	1,143					
Appropriation Request Est.	FY06	3,374					
Supplemental							
Appropriation Request	FY04	0					
Transfer		0					
Cumulative Appropriation		9,126					
Expenditures/							
Encumbrances		2,496					
Unencumbered Balance		6,630					
Partial Closeout Thru	FY02	26,761					
New Partial Closeout	FY03	7,436					
Total Partial Closeout		34,197					

COORDINATION

State of Maryland Agricultural Land Preservation Foundation

State of Maryland Department of Natural Resources Maryland-National Capital Park and Planning Commission

Landowners

The Executive asserts that this project conforms to the requirements of relevant local plans, as required by the Maryland Economic Growth, Resource Protection and Planning Act.

